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TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 924.
FILED, MAY 30th, 1963.

IRON BAY MINES LIMITED

Incorporated under the laws of the Province of Ontario
by Letters Patent dated February 24, 1954.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

JUN 6 1963

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	This Statement is filed in respect to the certain Option Agreement in writing dated May 1, 1963, made between Iron Bay Mines Limited (hereinafter called "the Company") and Taconite Lake Iron Co. Limited, details of which are more fully set out in Schedule "A" hereto. See Schedule "A" beginning on page 3.
2. Head office address and any other office address.	The head office of the Company is located at Room 418, 25 Adelaide Street West, Toronto, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President - A.C. Mosher, Room 418, 25 Adelaide Street West, Toronto, Ontario, Mining Executive; Vice-President - Forrest W. Graham, 711, 25 Adelaide Street West, Toronto, Ontario, Stockbroker; Secretary - Alan S. Carr, Room 418, 25 Adelaide Street West, Toronto, Ontario, Accountant. Directors A. C. Mosher - as above Forrest W. Graham - as above Strachan K. Bongard - 711, 25 Adelaide Street West, Toronto, Ontario, Stockbroker; W. J. Hosking - McWatters, Quebec, Mining Executive; Donald W. Falconer - 2402, 44 King Street West, Toronto, Ontario, Solicitor.
4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital of the Company consists of 6,000,000 shares of the par value of \$1.00 each, of which 2,510,005 shares are issued and outstanding as fully paid and non-assessable shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	There are no bonds, debentures, notes, mortgages, charges, liens or hypothecations of the Company outstanding.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>There are no treasury shares or other securities of the Company now the subject of any underwriting, sale or option agreement or any proposed underwriting, sale or option agreement except for 50,000 shares of the Company under option to the Company's consulting engineers, viz:-</p> <p>On January 12, 1962, the Directors of the Company granted to Hains Engineering Company Limited, 77 York Street, Toronto, Ontario, an option to purchase 40,000 shares of the capital stock of the Company at the price of \$1.00 per share, such option to be exercisable only if, as and when, a firm arrangement is entered into between the Company and another corporation to bring the Company's iron property at Bruce Lake, Ontario, into production, such option to be for the period commencing January 12, 1962 and expiring December 31, 1963. On January 12, 1962 the Directors of the Company also granted an option to Melvin W. Bartley, Port Arthur, Ontario, to purchase 10,000 shares of the capital stock of the Company at the price of \$1.50 per share, such option also to be exercisable only if, as and when, a firm arrangement is entered into between the Company and another corporation to bring the Company's said iron property at Bruce Lake, Ontario into production, such option to be for the period commencing January 12, 1962 and expiring December 31, 1963.</p> <p>Both of the above stock options were granted by the Company in recognition of the valuable services which Hains Engineering Company Limited and Melvin W. Bartley have rendered to the Company in their respective capacities of consulting engineers to the Company.</p>
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	The names and addresses of persons having any interest direct or indirect in underwritten or optioned shares or other securities of the Company are referred to in Item 6 hereof.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	There are no payments in cash or securities of the Company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition by the Company.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company does not have any present plans for the future development of its Bruce Lake property as same has been optioned to Taconite Lake Iron Co. Limited as referred to in Item 1 hereof. The Company does not own any other property other than the said Bruce Lake property.

THIS IS SCHEDULE "A" to the Filing
Statement of IRON BAY MINES LIMITED
dated May 14, 1963

The Option Agreement dated May 1, 1963, made between the Company and Taconite Lake Iron Co. Limited, c/o Pickands Mather & Co., 2000 Union Commerce Building, Cleveland 14, Ohio, (Taconite), provides, inter alia, as follows:-

- (i) The Company will assign and transfer to Taconite all the Company's interest in 3 certain Licenses of Occupation covering all or parts of 77 certain mining claims in the Bruce Lake area, Red Lake Mining Division, District of Kenora, Canada, all upon and subject to the terms and conditions set forth in the Agreement of Assignment attached as Schedule "C" to the said Option Agreement. Said Agreement of Assignment will be executed by both the Company and Taconite and reference to certain provisions therein contained is made below. Said 3 Licenses of Occupation are to be held by Taconite during the option period subject to re-transfer to the Company if the option is not exercised, and will be held during the term of the lease hereinafter referred to, if same is entered into, subject to re-transfer to the Company on termination of said lease.
- (ii) The Company grants to Taconite the exclusive right and option during the option period of two years terminating on April 30, 1965, to take a lease in the name of Taconite (or its nominee), of the 47 patented mining claims, and subject to the provisions of The Mining Act of Ontario, the 18 unpatented mining claims, owned by the Company in the said Bruce lake area, all upon and subject to the terms and conditions contained in the Mining Lease and Agreement attached as Schedule "B" to the said Option Agreement, and in the event that the Company cannot give a valid lease of the said unpatented mining claims to the Lessee, the Company has

(iv) Lessee agrees to pay to the Company during each year of the Lease an annual minimum royalty of \$50,000 (Cdn.) (the year of execution of the Lease pro rata), provided if Lessee shall incur costs or expenses in drilling or in the development of the Mining Lands or in construction of plants thereon during the year of execution of the Lease or during the first 5 full calendar years thereafter, then the minimum payable for each of such years shall be reduced to the extent of one-half of the total expenditure by the Lessee in such year on such drilling, development and construction work, with the right to Lessee to credit excess expenditures in any year in respect to minimum becoming due in any of the remaining years falling within such 5 year period, provided further that if the Lessee shall fail to construct during such first 5 full calendar years, a plant for processing crude iron-bearing materials derived from the Mining Lands capable of commercial levels of production, then the minimum royalty payable to the Company shall be the sum of \$150,000 (Cdn.) a year commencing with the sixth full calendar year after the date of the Lease, until such plant is completed and in operation. Lessee shall be entitled to credit on earned royalties in excess of the minimum, for all amounts previously paid as minimum royalty.

(v) The Lessee will pay the Company a royalty in respect to ores and minerals other than iron ores found on the Mining Lands as may be mutually determined between the Company and the Lessee.

The said Agreement of Assignment attached as Schedule "C" to the said Option Agreement provides, inter alia, as follows:-

- (i) The Company shall assign the 3 Licenses of Occupation covering all or parts of the 77 certain mining claims situate in the said Bruce Lake area held by the Company to Taconite.
- (ii) The Agreement of Assignment is subject to the provisions of the said Option Agreement dated May 1, 1963 and to the said Mining Lease and Agreement, with the result that on failure of Taconite to exercise the option contained in the Option Agreement or on termination of the Lease if same is entered into, Taconite will retransfer the said 3 Licenses of Occupation to the Company.

IRON BAY MINES LIMITED

(Incorporated under The Corporations Act of Ontario)

BALANCE SHEET AS AT APRIL 30, 1963 (unaudited)

ASSETS		LIABILITIES	
CURRENT ASSETS		CURRENT LIABILITIES	
Cash	\$ 753.35	Bank loan - secured	\$ 4,000.00
Short term notes of finance companies at cost		Accounts payable and accrued liabilities	4,177.27
plus accrued interest	261,582.50	Total current liabilities	8,177.27
Marketable securities, at cost plus accrued	111,558.00		
interest (quoted market price \$110,608.00)	3,024.05	SHAREHOLDERS' EQUITY	
Expense advance to director	425.00	Capital stock (Note 2)	
Trans-Canada Airlines travel deposit		Authorized -	
	377,342.90	6,000,000 shares par value \$1.00 each	
Total current assets		Issued -	
		2,510,005 shares	
PROPERTIES AND RELATED EXPENDITURES (Note 1)		Par Value	Discount
123 mining claims in the Bruce Lake Area,			Net
District of Kenora. Title to 105 of the			
claims is secured by 47 mining patents and		For property	\$ 1,200,000.00
three mining licenses. Patents for the		For cash	1,310,005.00
remaining 18 claims have been applied for.			480,000.00
Consideration for the claims was 1,200,000			802,505.00
shares of capital stock of the company,			
valued by the directors at 40¢ per share,			
and \$44,462.81 in cash.	\$ 524,462.81		
Exploration and development costs			
including \$1,750.53 expended during the	352,009.66		
six months ended April 30, 1963.			
Roads, buildings and equipment - at cost	17,439.21		
	893,911.68		
	\$ 1,271,254.58	Deficit - see statement	1,263,077.31
			19,427.69

Approved on behalf of the Board:

Director.

A. J. A. J. Director.

agreed to assign its interest therein to the Lessee, same to be held by Lessee subject to the terms of the said Option Agreement and the said Mining Lease and Agreement and subject to retransfer on termination of the Lease of the said patented mining claims. Reference to certain provisions contained in the said Mining Lease and Agreement is made below.

- (iii) The Company grants to Taconite the usual privileges and rights given to an optionee of a mining property during the term of the option and the Company retains and holds the usual rights of an optionor of a mining property, including the right to examine and observe the work of Taconite on the said patented and unpatented mining claims and the said Licenses of Occupation (hereinafter together called the "Mining Lands"), and to inspect assay reports, diamond drill records, etc., in respect thereto. Taconite shall have exclusive possession of the Mining Lands during the option period.
- (iv) Taconite covenants to expend a minimum of \$150,000 (Cdn.) on and in connection with the Mining Lands and in engineering, laboratory and flow-sheet studies of the ores derived therefrom, during the period commencing March 1, 1963 and ending April 30, 1965.
- (v) The Option Agreement will be governed by the laws of Ontario.
- (vi) The Option Agreement, and the said Mining Lease and Agreement and the said Agreement of Assignment attached thereto as Schedules "B" and "C" respectively, are subject to same being authorized by a Special Resolution to be passed by the Directors of the Company and confirmed by its Shareholders not later than June 1, 1963, and to the Minister of Mines of Ontario consenting to the transfer of the said Licenses of Occupation to Taconite not later than June 15, 1963. Said Special Resolution shall

(a) confirm the execution of the Option Agreement;
(b) authorize the transfer of the Company's interest in the 3 Licenses of Occupation and the execution and delivery of the Agreement of Assignment; and (c) authorize the execution and delivery of the Mining Lease and Agreement if the option be exercised by Taconite.

If said Special Resolution is not duly confirmed by the Shareholders of the Company on or before June 1, 1963, or the transfer of the said Licenses of Occupation is not consented to by the Minister of Mines on or before June 15, 1963, then the Option Agreement shall be null and void.

The said Mining Lease and Agreement attached as Schedule "B" to the said Option Agreement provides, inter alia, as follows:-

- (i) The Company grants to the Lessee (Taconite Lake Iron Co. Limited or its nominee) a lease of the 47 patented mining claims, and subject to The Mining Act of Ontario, the 18 unpatented mining claims, held by the Company in the said Bruce Lake area, for a term of 75 years, the Lessee to have the usual rights over the said mining claims as are normally held by a lessee of an iron property.
- (ii) The Company on the request of the Lessee will convey without charge to the Lessee in fee simple, the surface rights of such part of the said patented mining claims as the Lessee may reasonably require for the construction of a plant or plants necessary for the Lessee to carry out its operation on the Mining Lands, such surface rights to be reconveyed to the Company on termination of the Lease.
- (iii) The Lessee will pay to the Company during the term of the Lease a royalty on the first 1,000,000 tons of iron ore products derived from the Mining Lands and shipped in any one calendar year of 50¢ (Cdn.) per ton and a royalty on each ton of iron ore products shipped in any calendar year after the shipment in that calendar year of the first 1,000,000 tons of iron ore products derived from the Mining Lands, of 60¢ (Cdn.) per ton, subject to adjustment upwards or downwards on a formula based at the prevailing market price of Lake Superior iron ore pellets delivered to rail of vessel at Cleveland, Ohio, U.S.A. Iron ore products as defined in said Lease shall mean and include iron ore, crude iron bearing material and any other material produced from crude iron bearing material, not having an iron content by weight (dry analysis) of more than 72%.

IRON BAY MINES LIMITED

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS (unaudited)

FOR THE SIX MONTHS ENDED APRIL 30, 1963

NOTE 1. The company has entered into an agreement with Taconite Lake Iron Co. Limited under date of May 1, 1963 whereby, subject to shareholders' approval, it has granted an option to Taconite Lake Iron Co. Limited exercisable on or before April 30, 1965 to lease, on a royalty basis, for a period of 75 years all of the 47 patented mining claims and the 18 mining claims for which patents have been applied for. The company has also agreed to transfer to Taconite Lake Iron Co. Limited its three licenses of occupation which will be subject to retransfer if the said option is not exercised, or, if said option is exercised, on termination of the lease covering the mining claims.

Taconite Lake Iron Co. Limited has agreed to spend \$150,000, in engineering, laboratory and flow-sheet studies of the ores derived from the properties, on or before April 30, 1965.

NOTE 2. By agreement dated January 12, 1962 the company granted options on 40,000 shares of capital stock at \$1.00 per share and on 10,000 shares at \$1.50 per share, exercisable on or before December 31, 1963, but only if and when a firm arrangement is negotiated by the company to bring its Bruce Lake property into production.

IRON BAY MINES LIMITED

STATEMENT OF OPERATIONS AND DEFICIT (unaudited)

FOR THE SIX MONTHS ENDED APRIL 30, 1963

INCOME FROM INVESTMENTS		\$ 8,411.45
EXPENSE		
Administration and office salaries	\$ 4,148.80	
Management travelling	2,026.40	
Office rent	1,240.26	
Office general expense	804.08	
Legal and audit	625.00	
Registrar and transfer fee	686.65	
Telephone and telegraph	173.11	
Postage and stationery	1,310.22	11,014.52
LOSS FOR THE SIX MONTHS		2,603.07
DEFICIT OCTOBER 31, 1962		16,824.62
DEFICIT APRIL 30, 1963		\$ 19,427.69

10. Brief statement of company's chief development work during past year.	During the past year the Company carried out approximately 2,000 feet of diamond drilling on the 18 unpatented mining claims held by the Company in the Bruce Lake area, in order to complete the work necessary in order to obtain patents for same. Samples of magnetic concentrates from the Company's Bruce Lake property were taken to Lakefield Research of Canada Limited for testing and metallurgical studies.												
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.												
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.												
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	There are no shares of the Company held in escrow or in pool.												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>As of May 14, 1963 the five largest registered shareholders of the Company are as follows:</p> <table> <thead> <tr> <th><u>Name and Address</u></th><th><u>Number of Shares</u></th></tr> </thead> <tbody> <tr> <td>Chimo Gold Mines Limited, 418, 25 Adelaide Street West, TORONTO, Ontario.</td><td>1,000,000 shares</td></tr> <tr> <td>McWatters Gold Mines Limited, c/o C. F. Tuer, HAILEYBURY, Ontario.</td><td>358,400 shares</td></tr> <tr> <td>Bongard & Company, 711, 25 Adelaide Street West, TORONTO, Ontario.</td><td>223,272 shares</td></tr> <tr> <td>A. C. Mosher, 7 Daleberry Place, WILLOWDALE, Ontario.</td><td>56,004 shares</td></tr> <tr> <td>Houston and Company, 335 Bay Street, TORONTO, Ontario.</td><td>54,600 shares</td></tr> </tbody> </table> <p>So far as the Company is aware none of the above shares are pooled or escrowed. The Company is also advised that all the shares registered in the name of Chimo Gold Mines Limited and A. C. Mosher are beneficially owned by them respectively, but the Company does not know whether or not any of the other above-mentioned Shareholders are the beneficial owners of the shares registered in their respective names.</p>	<u>Name and Address</u>	<u>Number of Shares</u>	Chimo Gold Mines Limited, 418, 25 Adelaide Street West, TORONTO, Ontario.	1,000,000 shares	McWatters Gold Mines Limited, c/o C. F. Tuer, HAILEYBURY, Ontario.	358,400 shares	Bongard & Company, 711, 25 Adelaide Street West, TORONTO, Ontario.	223,272 shares	A. C. Mosher, 7 Daleberry Place, WILLOWDALE, Ontario.	56,004 shares	Houston and Company, 335 Bay Street, TORONTO, Ontario.	54,600 shares
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A. C. Mosher, 7 Daleberry Place, WILLOWDALE, Ontario.	56,004 shares												
Houston and Company, 335 Bay Street, TORONTO, Ontario.	54,600 shares												
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Chimo Gold Mines Limited, Room 418, 25 Adelaide Street West, Toronto, Ontario, if it obtains the proxies of the other four largest registered shareholders of the Company, is in a position to materially affect control of the Company.												
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	The assets of the Company do not include investments in the shares or other securities of any other Company.												
18. Brief statement of any lawsuits pending or in process against company or its properties.	There are no lawsuits pending or in process against the Company or its properties.												
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	There are no material contracts entered into by the Company which are still in effect which are not disclosed by the foregoing.												
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	This statement is filed pursuant to the rules and regulations of the Toronto Stock Exchange in respect to the matters referred to in Item 1 which the Company understands to be classed as a "material change" in its affairs. There are no further relevant material changes. No shares of the Company are presently in the course of primary distribution.												

CERTIFICATE OF THE COMPANY

DATED May 14, 1963

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

IRON BAY MINES LIMITED
 "A.C. Mosher" By [Signature] CORPORATE SEAL
 And [Signature] Director
 "D.W. Falconer" And [Signature] Director
CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)